 <b>Office of Credit Unions</b> <b>Policies and Procedures</b>	<b>POLICY NUMBER</b>
	<b>10710 A2</b>
<b>COMPLIANCE</b>	<b>EFFECTIVE DATE</b>
	<b>11/01/2018</b>
<b>SUBJECT</b>	<b>REVISION DATE</b>
	<b>11/01/2018</b>
<b>Bank Secrecy Act Policy Review</b>	<b>PAGE(S)</b>
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## I. PURPOSE

The purpose of the Bank Secrecy Act (BSA) Policy is to establish clear and specific guidelines and procedures for ensuring compliance with the US Patriot Act, Bank Secrecy Act, and other applicable regulations.

## II. POLICY CONTENTS

At a minimum, the BSA policy address the following:

### 1. Compliance Officer

- Specify which individual or position has been designated as the BSA Compliance Officer.
- Clarify the knowledge and skills possessed by this person or position that qualifies this individual to be the Compliance Officer.
- Detail the responsibilities and duties of the Compliance Officer. The policy should state if any of the responsibilities or duties have been delegated to other staff.

### 2. Internal Controls

- Identify which areas of operation contain higher risks.
- Describe the procedures in place to control and limit risk.
- Require periodic updates to the credit union's risk profile.

### 3. Independent Testing

- Specify whether the testing will be performed by internal or outside auditors. If performed by internal auditors, the policy should state which individual(s) or position(s) are responsible for performing the testing.
- State that the testing will be performed annually.
- Detail the areas that the independent testing will review.

### 4. Training


- Specify which individual or position is responsible for providing staff, senior management, and the Board of Directors with sufficient training.
- State that training will be provided, at least, annually.
- Require documentation of the training to be maintained.

### 5. Customer Due Diligence Program

- Outline procedures for risk-based customer due diligence policies, procedures, and processes.

### 6. Customer Identification Program

- Outline clear guidelines for verifying the identity of members.
- The policy should cover the requirements detailed in the BSA Compliance Examination Procedures.

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## 7. Currency Transaction Reports

- Outline the procedures and processes for identifying transactions that require the filing of Currency Transactions Reports (CTRs).
- Outline the process for ensuring CTRs are filed for all necessary transactions.
- State which individual(s) or position(s) is responsible for identifying transactions, completing CTRs, and ensuring the forms are complete and filed in a timely manner.

## 8. Suspicious Activity Reports

- Outline the procedures and processes for identifying suspicious activities and filing Suspicious Activity Reports (SARs).
- State which individual(s) or position(s) is responsible for identifying transactions, completing SARs, and ensuring the forms are complete and filed in a timely manner.
- State whether the credit union uses an automated or manual monitoring system for suspicious activity.
- Outline the procedures for documenting decisions not to file a SAR.
- Require the credit union to notify the Board of Directors when a SAR has been filed.

## 9. Foreign Accounts

- State whether the credit union has any foreign account(s).
- Require the credit union to annually file a FBAR for any foreign accounts valued greater than \$10,000 at any time in the past year, if applicable.

## 10. Transportation of Currency into or outside the US

- State whether the credit union will be involved in any transportation of currency into or outside the US.
- Require a CMIR to be filed for each shipment or receipt of currency or other monetary instrument(s) in excess of \$10,000 out of or into the US, except via the postal service or common carrier.
- Detail procedures for ensuring the necessary forms are filed completely and timely.

## 11. Record Retention

- State that all documents required by 31 CFR 103 Financial Recordkeeping and Reporting of Currency and Foreign Transaction will be maintained for a minimum of 5 years.